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State Department review completed

CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 14 September 1965

DIA review(s) completed.

INTELLIGENCE MEMORANDUM

The India-Pakistan Situation (Report #39 - As of 4:00 P.M. EDT)

- 1. Although the Indians claim to have "achieved their objectives" in the Sialkot battle, we have no confirmation that they have actually taken the town. A Defense Attache assessment from Karachi regards this encounter as the most critical of the conflict to date and considers the Pakistanis' ability to hold the Indian attack as marginal, although requiring a heavy drain on forces at other fronts. If losses are as heavy as reported, the Pak supply and equipment situation must be becoming very serious.
- 2. Pakistan communiques have reported new air raids against Indian air bases, including Barrackpore just north of Calcutta. Calcutta reports have confirmed aerial dogfights near the city and claim that two Pak B-57's were shot down and the rest "chased away."

25X1

25X1

shipments to West Bengal have been stopped by the central government for at least the next three weeks due to transportation difficulties and army requirements. Following an emergency cabinet meeting of the Government of West Bengal on 13 September, an immediate cut in rations was announced. There is now a 4 weeks supply of foodgrains in West Bengal, but Shastri has stated that a continuation of the present situation could further delay food shipments. Any prolonged interruption of the food flow would cause serious popular disorders.

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5. The Indian Government has advised the US Embassy that Indian forces will not fire on the Lahore area	in for

two and one-half hours tomorrow during the evacuation by air 25X1 of American dependents.

7. Our analysis of recent Chinese public statements suggests that Chinese attempts to frighten the Indians have been having the effect we think was intended in Peking. Chinese propaganda and official statements during the past two weeks appear to have been designed to alarm New Delhi and bring deterrent pressure to bear on the Indians by arousing fears of Chinese intervention to assist Pakistan in the Kashmir crisis.